

ITEM # _____

PREPARED BY _____

APPROVED BY: _____

RESOLUTION TO AMEND THE COMPENSATION POLICY ADOPTED BY RESOLUTION 32 ON JULY 21, 2008 TO AUTHORIZE A ONE TIME STIPEND OF 1% OF BASE SALARY FOR ELIGIBLE EMPLOYEES TO BE PAID ON OR ABOUT JANUARY 31, 2009 AND AUTHORIZES THE MAYOR TO AMEND THE FY2009 BUDGET AS NECESSARY TO PROVIDE FOR THESE PAYMENTS. THE COST WILL BE APPROXIMATELY \$3,500,000 IN TOTAL AND \$2,400,000 TO THE GENERAL FUND. SPONSORED BY COMMISSIONER MALONE.

WHEREAS, The Shelby County employees were not provided any raise in the fiscal 2009 budget because funds could not be identified for raises; and

WHEREAS, Employees of other governmental entities in Shelby County were given raises; and

WHEREAS, The decision to not give any cost of living raise to employees leaves the County employees somewhat behind the compensation level in this area; and

WHEREAS, The County Commission requested the Administration to evaluate the first few months of fiscal 2009 and determine whether funds can be found to provide employee raises; and

WHEREAS, The Administration has determined that funding is available from a combination of current property tax revenue is expected to exceed the amount budgeted for fiscal 2009 and the hiring freeze has reduced personnel costs to below the budget.

NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, That the Compensation Policy as adopted by resolution 32 on July 21, 2008 is hereby amended to provide for a one time stipend of 1% of base salary be paid on or about January 31, 2009 to eligible Shelby County employees as defined in Exhibit A which is attached and incorporated herein.

BE IT FURTHER RESOLVED, That the Mayor is hereby authorized to amend the fiscal 2009 personnel budget between divisions as necessary to provide for these raises and between personnel and transfers to provide transfers from the General Fund to other funds should the Administration determine a transfer is necessary for any other fund to provide for these stipend payments.

A C Wharton, Jr.
County Mayor

Date: _____

ATTEST:

Clerk of County Commission

SUMMARY SHEET

I. Description of Item

During the review of the proposed budget for fiscal 2009 it is deemed necessary to eliminate employee raises in order to balance the budget. In August 2008 the Commission determined that it was necessary to provide raises for the deputy sheriff's to keep their pay competitive. Subsequently, the Commission decided that raises should be reconsidered for all employees rather than just one group and the Administration was requested to review the budget and actual results of the first few months of fiscal 2009 to determine whether funds could be made available for raises. The Administration has completed that review and determined that sufficient funds are available for a 2% raise effective February 1, 2009 or a one time stipend of up to 1% of base salary. This resolution authorizes a one time stipend of 1% of base salary for eligible employees and authorizes amendment of the budget as necessary for these stipend payments.

II. Source and Amount of Funding

The raises authorized by this resolution will increase expenditures in the General Fund by about \$2,400,000 and in all funds by approximately \$3,500,000. The funds other than the General Fund will be expected to provide for the stipend payments from their resources, however, if the Administration determines that any fund can not provide the resources for these raises, the Administration is authorized to provide a transfer from the General Fund for the raises. The General Fund will provide for the stipend payments from lapse time in personnel costs.

III. Contract Items

Not applicable.

IV. Additional Information Relevant to Approval of this Item

Not applicable.

Employees Eligible for Stipend

To be eligible for the one time stipend, employees must meet the following criteria:

1. Elected Officials are not eligible employees.
2. Must have been employed as of July 1, 2008 and remained an employee through January 16, 2009.
3. Any employee receiving a regular annual increase after June 30, 2008 is not eligible.
4. Temporary and part time employees and those receiving a subsidy in addition to a salary from another governmental entity are not eligible.
5. Employees of other agencies not subject to the personnel policies are not eligible.
6. Employees on sick leave or OJI leave will be entitled to receive the stipend when they return to full active service but not later than June 30, 2009.